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## VIA ELECTRONIC FILING

Ms. Marlene H. Dortch Secretary Federal Communications Commission P.O. Box 358145 Pittsburgh, PA 15251-5145

RE:

Request of Calence Holdings, Inc. for Special Temporary Authority for Approval of the Transfer of Control of an Authorized International and Domestic Carrier, WC Docket No. 08-19.

Dear Ms. Dortch:

Dear Ms. Dortch:

Calence Holdings, Inc. ("Applicant"), a provider of interstate and international telecommunications services, hereby applies for Special Temporary Authority ("STA") for its current ownership structure, pending processing and grant of its application for permanent authority. Applicant makes this request through their undersigned counsel and pursuant to Section 214 of the Communications Act, as amended (47 U.S.C. § 214), and Sections 63.04 and 63.24 of the Commission's Rules (47 C.F.R. §§ 63.04 and 63.24). Applicant further requests that the STA remain effective for 60 days.

Calence Holdings, Inc. has authority under Section 214 of the Communications Act of 1934 to provide interstate service within the U.S. pursuant to the blanket authority for domestic service under Section 214, 47 C.F.R. Sec. 64.01, as well as global resale authority pursuant to ITC 21420050919-00371. On February 8, 2008, Calence Holdings, Inc. and Calence, LLC filed with the Commission's International and Wireline Competition Bureaus, applications for consent to the transfer of control described in this STA request.

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Effective February 1, 2006, Calence, Inc. (now known as Calence Holdings, Inc.) entered into a transaction with Avnet, Inc., a New York corporation headquartered in Arizona and traded on the NYSE, whereby Calence, Inc. changed its name to Calence Holdings, Inc. and contributed its business, and Avnet, Inc. contributed its AES Division, to Calence, LLC, a Delaware limited liability company, which was and is the surviving entity of the combination. In exchange for contribution of the AES Division of Avnet, Inc., the latter received zero voting membership interests in the LLC and 62.5% non-voting membership interests in the LLC, which are designated as "Class B" non-voting membership interests. Calence, Inc. received 100% of the voting membership interests in the LLC through its 37.5% voting membership interests which are designated as "Class A" voting membership interests. The restructuring of the ownership interests was done to allow Calence, LLC to obtain the additional assets of the AES Division of Avnet, Inc., and the considerable resources of Avnet, Inc., so as to make its business stronger and make it a more effective competitor. The transaction enhanced Calence, LLC's ability to provide state-of-the-art solutions to its customers and gave it resources to be able to grow its market share and enhance competition.

Effectively, Avnet, Inc. made a passive investment in Calence, LLC by contribution of the AES Division of Avnet, Inc. for which Avnet, Inc. received an investment interest in Calence, LLC, exercisable as and when a liquidity event of Calence, LLC may arise. Avnet, Inc. has no voting rights but it has rights associated with the protection and avoidance of unnecessary taxation of its investment. For example, Class B membership interests must receive financial benefits in *pari passu* with Class A membership interests when liquidity events are realized, such as a dividend declaration, and Class B membership interests must be treated *pari passu* with Class A membership interests with regard to liquidity events such as a sale of Calence, LLC. Avnet, Inc. cannot control such events or cause them to happen, but its investment interest must be treated *pari passu* with Class A membership interests if and when Calence, LLC undertakes such action.

The result of Avnet's investment in Calence, LLC is that the management of Calence Holdings, Inc. continues to control the operation, day-to-day functioning, management, strategic planning and all other operational aspects of Calence, LLC such that control of Calence Holdings, Inc. is the same following the combination as it was prior to it. Upon the combination of the assets and liabilities of the AES Division of Avnet, Inc. and of Calence Holdings, Inc. into Calence, LLC, the subscribers continue to be serviced seamlessly pursuant to the same terms and conditions, prices, menu of services. The transfer of control is in all aspects transparent to Calence Holdings, Inc.'s approximate 191 residential and 65 commercial customers in the Time Warner Center in New York. Following closing, Calence, LLC continues to operate the same network, same services, using the same operational team and management out of the same offices in Arizona and pursuant to all of the same terms and conditions provided to Calence Holdings, Inc. customers prior to the restructuring. Accordingly, this transaction will have no effect on the rates, terms and conditions or service provided to the customers of Calence Holdings, Inc. and the merger will be transparent to them. Future changes in the rates, terms and conditions of service to Calence Holdings, Inc.'s customers, if any, will be undertaken pursuant to the applicable federal and state notice and tariff requirements and Calence Holdings, Inc.'s contractual obligations.

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Calence Holdings, Inc. notes that the underlying transfer of control application was not filed in 2006 when the transaction occurred as the parties were not aware or advised of the Commission's requirement of filing for Section 214 Transfer of Control from Calence Holdings, Inc. to Calence, LLC. The Commission's requirements became known to Calence Holdings, Inc. and Avnet, Inc. immediately following the signing of a Merger Agreement on January 24, 2008, in which Calence Holdings, Inc. and Avnet, Inc. committed to sell 100% of Calence, LLC to Insight Enterprises, Inc., a U.S. publicly traded company on the NASDAQ exchange, registered in Delaware. At that time, in preparation of the Section 214 Transfer of Control approval application for the Insight transaction, the oversight was noticed. The closing date required by the Merger Agreement is March 1, 2008, or if specified conditions, including the requested approval, have not been satisfied, April 1, 2008. The substantial Section 214 Transfer of Control application underlying this STA request was filed on February 8, 2008, following the substantial Section 214 Transfer of Control application which counsel filed on February 4, 2008, with regard to the Calence, LLC/Insight Enterprises, Inc. transaction noted above.

Grant of the application will serve the public interest, convenience and necessity. STA is necessary to allow the Applicant, with its current ownership, to continue providing service to customers while the Commission processes the applications for consent to the transfers. Applicant has shown that no harm will come from grant of this STA. Benefit to the public interest will be achieved by allowing continuous service to the subscribers that depend on Calence Holdings, Inc. to provide telecommunications service. The subscribers would be adversely affected if the Applicant were required to cease operations pending Commission consent to the transfer of control described in this STA. Additionally, the investment of Avnet, Inc. in Calence, LLC will allow Calence Holdings, Inc. to expand its market of end user customers in New York. The transaction will promote competition in the domestic and international telecommunications services marketplace by enhancing the quality of telecommunications services provided to end users. Granting of the requested STA will promote competition among carriers by enabling Calence Holdings, Inc. to realize certain financial and operational benefits with the financial strength of Avnet, Inc. and will ensure the continued, uninterrupted service to Calence Holdings, Inc.'s approximately 256 subscribers. Accordingly, for immediate and long-term compelling business reasons, the Applicant respectfully requests an STA.

The Applicant acknowledges that the grant of this STA will not prejudice any action the Commission may take on the underlying application seeking Commission consent to the transfer. The Applicant further acknowledges that this STA may be revoked by the Commission upon its own motion without a hearing.

For the foregoing reasons, the Applicant asks that the Commission grant it STA to continue operations pending grant of the applications for consent to transfer of control filed on February 8, 2008. Applicant respectfully requests grant of STA as soon as possible. Applicant acknowledges that grant of this request will not prejudice action by the Commission on the underlying applications and

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that any authority granted pursuant to this request is subject to cancellation or modification upon notice, but without a hearing.

Sincerely,

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